FINANCIAL NEWS AND COMMENT

Economic Situations Show Change for Better in the Week Just Ended.

ALL MARKETS DO WELL

Movement of Stock Prices Is Still Gaining After Year of Swing Upward.

Viewing the economic events of last week Wall Street saw several important changes in situations which at times in the recent past have affected markets for securities. These events included the virtual settlement of the soft coal strike, the breaking of the railroad shopmen's strike and the compromise effected between the Allies and Germany in regard to the reparations payments. All these things had clouded the financial horizon, making market operations rather hazardous. In the case of the anthracite strike Wall Street was pretty well satisfied that a settlement was near, for on Friday and Saturday the strike news had ceased to be a distressing factor.

An improvement was noted in all markets last week. However, particular stress must be laid on the good showing of the stock market which at the end of August had completed precisely one year in which the trend had been toward higher prices. It was not until the middle of last week that Wall Street was able to penetrate through the curtain of uncertainty and form any conclusions as to the outcome of either the labor struggle or the political situation in Europe, yet in the face of all handicaps stock and bond prices continued to rise.

Inflation Believed at Hand.

Thus it was plainly evident to those acquainted with the relationship between security prices and economic conditions that the stock market was obeying the dictates of a natural law which overshadowed day to day developments. As is usual with major movements such as the one now occurring in the stock market, progress has gone far before its full import has come to be realized.

Until last week the theory that a secondary inflation movement was at hand had not been generally accepted. For many months commodity prices have been gradually readjusting themselves upward and production in the basic industries has been on the increase. The rising volume of trade has been reflected in bank clearings, which are running 15 per cent. over 1921, increased car loadings, which have enabled the railroads to show gratifying results despite labor troubles, and the large increase in sales in the wholesale and retail trades. Commercial failures have shown a tendency to diminish for some time, while there has been an increase in the amount of borrowing for financing business expansion.

Yet the significance of all these happenings was not fully realized until the increase of 20 per cent. in wages by the Steel Corporation, which went into effect last Friday, indicated that the deflation process had stopped and that the swing of the pendulum was the other way.

What has confused many students of conditions is the continued ease in the credit situation, with a steady decline in money rates and an unusually large supply of money for investment purposes. These conditions, natural in a time of industrial reaction, are foreign in periods of business expansion. The volume of bills discounted at the Federal Reserve banks has been decreasing week by week, until now it stands almost at the lowest point of the year.

Country Filled With Money.

Largely due to the falling off in foreign trade, there is more money in this country waiting to be put to work than ever before now. Both imports and exports have been declining steadily for some time. Since last spring money has been piling up in the banks and flowing into investment channels. The decrease in new investment issues recently forced this money into securities already outstanding. Hence the spectacle of rising markets which are forced up by the pressure of surplus money, even at times like last week when they might easily have been unfavorably affected by the current bad news. One of the most interesting developments last week was the demand for sound securities yielding a fair return.

According to some official authorities this country is in a position to find real prosperity without the aid of foreign trade and the large supply of money on hand can be used to great advantage in moving the crops, correcting the housing shortage and rehabilitating the railroads. Present plans of the railroads call for the placing of extraordinarily large orders for rails and equipment. An unusually large number of locomotive orders was placed last week. The rush for building permits is by no means over and there are few idle men in the building trades. As a matter of fact it is said that if there were no strikes and if industry over the country were well balanced there would be practically no unemployment and the country would be well out of the post-war depression.

The question confronting Wall Street, and, indeed, business men all over the country, is to what extent the present period of inflation will be carried. That the advance in wages by the Steel Corporation was an attempt to meet a situation of real labor shortage and that other industries in self-defense were compelled to take similar steps is undoubtedly true and it raises the question of how far this condition can be carried before it corrects itself. The situation is complicated by the fact that the tendency to increase wages has not been uniform among all types of workers and that some members of the community might find themselves in difficulties should the cost of living rise again.

Of course happenings here that tend to push our markets higher are regarded with satisfaction by European countries that feel the need of selling all they can in America. When prices are high enough to diminish our exports still further and increase our imports in a marked degree the secondary period of inflation—if one realy exists at that time—may come to an end. While this would not be very desirable economically it might go a long way toward stabilizing exchange and putting the countries of Europe in a better position to pay their debts.

TOTAL TRANSACTIONS ON THE NEW YORK STOCK EXCHANGE

WEEK ENDED SEPTEMBER 2, 1922.

	1922.	1921.	1920.
Sales for week	4,571,548	2,378,080	2,841,856
Year to date	176,558,451	113,515,783	151,879,781½

Range 1922 High.	Low.	Div. Yield.	Div. in $.	Sales.		High.	Low.	Last.	Net Chge.
81¾	43	..	..	8300	Adams Express Co.	81¾	75½	79½	+ 2¼
23	10⅞	..	..	500	Advance Rumely	21	20	21	+ ⅞
60½	31⅝	5.17	3	300	Advance Rumely pf.	58	57½	58	+ ½
58¾	45½	7.02	4	600	Air Reduction	57⅛	56½	57	— ⅞
18¾	9½	..	..	2200	Ajax Rubber	12⅛	11¼	11¼	— ½
⅞	¼	..	..	200	Alaska Gold Mines	⅝	⅝	⅝	+ ¼
2	⅝	..	..	3800	Alaska Juneau Gold Min.	1¼	1	1⅛	— ⅛
116	107	6.03	7	50	All America Cables	116	116	116	..
90½	55⅛	4.47	4	45200	Allied Chemical & Dye	90½	81⅞	89⅝	+ 7
113⅞	101	6.14	7	1300	Allied Chemical & Dye pf	113⅞	110½	113⅞	+ 3⅝
59	37¾	6.78	4	6700	Allis Chalmers	58⅞	57	58¾	+ ¼
100¾	86¼	6.93	7	700	Allis Chalmers pf.	100¾	100	100¾	+ ¾

Range 1922 High.	Low.	Div. Yield.	Div. in $.	Sales.		High.	Low.	Last.	Net Chge.
18¾	7	..	..	44800	Erie	17¾	14	15⅞	— ½
28½	11⅛	..	..	20700	Erie 1st pf.	27¾	23	25	— 1½
20¼	7⅛	..	..	4800	Erie 2d pf.	19⅝	16	18¼	— ¾
20¾	15	..	..	200	Fairbanks Co	15	15	15	— 1½
100	75⅛	7.88	8	35600	Famous Players-Lasky	101½	90¼	101½	+ 9½
105	91½	7.62	8	3100	Famous Play-Lasky pf.	105	101	105	+ 3
56¾	37	8.85	5	1100	Federal Min & Smelt pf.	56⅝	52⅞	56⅝	+ 3⅝
127½	75	8.84	10	300	Fisher Body	113½	112½	113¼	+ 1½
103¼	76½	8.74	8	300	Fisher Body Ohio pf.	91⅝	90¼	91½	+ 1
19½	11¼	..	..	3700	Fisk Rubber	12½	11⅞	12¼	— ¼
26⅞	12¼	..	..	30200	Freeport Texas	24¾	22½	24	+ 1
67⅞	45¾	4.65	3	6300	General Amer Tank Car.	67⅝	61½	64½	+ 4½

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GERMAN RESPITE STIFFENS LONDON

Market Recovers and Closes Cheerful After Very Dull Week.

Special Cable to THE NEW YORK HERALD.
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New York Herald Bureau, London, Sept. 3.

After a very dull week the stock market closed Saturday with a cheerful tone on account of the decision to grant a respite to Germany. Settlement of prewar accounts has been responsible for some liquidation, but there has been but one actual failure, although in other cases assistance has been rendered. Much gilt edged stock had to be realized on and prices gave way all around.

National war bonds and treasury bonds were conspicuously weak on sales by large holders to take up treasury bills. War fives touched 99 9-16 and conversion loans 72 11-16, but there was a substantial recovery from these points.

Home rails were irregular, but foreign rails and Grand Trunks were the sections chiefly affected by the settlement of prewar accounts. In these, however, there was a smart recovery. There was rather more animation in the stronger industries and, indeed, the market finished much brighter all around.

On the whole the feeling in the city concerning the position of Germany and reparations is more favorable than for some time past. The chief reason for the increase in confidence was that, so far, no drastic action has been taken by France and that it is the apparent intention of France to follow the example of Britain, by leaving things to drift. The headlong fall of the German mark reached its maximum on Friday, and since then, in spite of untoward happenings on other parts of the Continent, the general tendency in exchanges is toward a steadier tone.

WEEKLY FOREIGN EXCHANGE.

WEEK ENDED SEPTEMBER 2, 1922.

LONDON.

Demand.

	High.	Low.	Last.	Prev. W'k. Final.
August 28	$4.46½	$4.45¼	$4.45⅝	$4.48
August 29	4.46¼	4.45⅝	4.46¼	4.48
August 30	4.46½	4.46¼	4.46¼	4.48
August 31	4.46½	4.45¾	4.45¾	4.48½
September 1	4.46½	4.45⅜	4.46⅝	4.48
September 2	4.47½	4.46⅝	4.47	4.48

Year's Range. High, $4.50⅛, June 6. Low, $4.17, Jan. 5.

Cables.

	High.	Low.	Last.	Prev. W'k. Final.
August 28	4.46⅝	4.45½	4.45⅞	4.48¼
August 29	4.46½	4.45⅝	4.46⅝	4.48
August 30	4.46⅝	4.46⅜	4.46½	4.48
August 31	4.46⅝	4.46	4.46¼	4.48⅝
September 1	4.46⅞	4.46⅛	4.46⅝	4.48⅝
September 2	4.46⅞	4.46⅛	4.47¼	4.48½

Year's Range. High, 4.51⅛, June 6. Low, 4.17½, Jan. 5.

PARIS.

Demand.

	High.	Low.	Last.	Prev. W'k. Final.
August 28	7.70	7.62	7.65½	7.95
August 29	7.78	7.63½	7.76½	7.95
August 30	7.74	7.69	7.72	7.95
August 31	7.71	7.60	7.61½	7.95
September 1	7.82½	7.83½	7.80	7.95
September 2	7.85	7.81½	7.83½	7.95

Year's Range. High, 9.37, April 17. Low, 7.78½, July 8.

Cables.

	High.	Low.	Last.	Prev. W'k. Final.
August 28	7.70½	7.62½	7.66	7.93½
August 29	7.78½	7.68	7.77	7.93½
August 30	7.74½	7.69½	7.72½	7.93½
August 31	7.71½	7.60½	7.62	7.93½
September 1	7.83	7.84	7.80½	7.93½
September 2	7.85½	7.82	7.84	7.95½

Year's Range. High, 9.37½, April 17. Low, 7.78½, July 8.

BERLIN.

Demand.

	High.	Low.	Last.	Prev. W'k. Final.
August 28	.06¼	.06⅛	.06¼	.09
August 29	.09¼	.06¼	.09	.09
August 30	.08½	.06⅝	.07¼	.09
August 31	.07¼	.05⅝	.06⅛	.09
September 1	.09	.07⅝	.08⅛	.09
September 2	.08¾	.07½	.07⅝	.09

Year's Range. High, .59¾, Jan. 9. Low, .15⅝, July 29.

Cables.

	High.	Low.	Last.	Prev. W'k. Final.
August 28	.06⅝	.06⅜	.06⅝	.09¼
August 29	.09⅜	.06½	.09¼	.09¼
August 30	.08⅝	.07	.07¼	.09¼
August 31	.07½	.06	.06⅝	.08⅝
September 1	.09¼	.07⅞	.08⅝	.08⅝
September 2	.09	.07⅝	.08	.09¼

Year's Range. High, .60, Jan. 9. Low, .15½, July 29.

	SWITZERLAND. Demand.	Cables.	HOLLAND. Demand.	Cables.
August 28	19.03	19.04	38.90	38.95
August 29	19.04	19.05	38.85	38.90
August 30	19.02	19.03	38.91	38.96
August 31	19.02	19.03	38.97	39.02
September 1	19.02	19.03	38.89	38.94
September 2	19.00	19.01	38.91	38.96

	BELGIUM.		COPENHAGEN.	
August 28	7.29½	7.30	21.50	21.52
August 29	7.41½	7.42	21.41	21.43
August 30	7.34½	7.35	21.43	21.45
August 31	7.21½	7.22	21.39	21.41
September 1	7.38½	7.39	21.43	21.45
September 2	7.41½	7.42	21.48	21.50

	ITALY.		SPAIN.	
August 28	4.36	4.36½	15.51	15.52
August 29	4.43¼	4.44	15.55	15.56
August 30	4.39	4.39½	15.53	15.54
August 31	4.33	4.33½	15.52	15.53
September 1	4.41	4.41½	15.51	15.52
September 2	4.39½	4.40	15.55	15.54

	CHRISTIANIA.		STOCKHOLM.	
August 28	16.94	16.96	26.47	26.50
August 29	16.81	16.83	26.45	26.48
August 30	16.88	16.90	24.48	26.50
August 31	16.70	16.72	26.47	26.50
September 1	16.66	16.68	26.48	26.50
September 2	16.68	16.70	26.54	26.56

WEEK'S RANGE.

	GREECE. Demand.	Cables.	YOKOHAMA. Demand.	Cables.
High	3.24	3.25	48.00	48.25
Low	3.23	3.25	47.85	48.00

	BOMBAY.		HONGKONG.	
High	29.25	29.50	57.87½	58.12½
Low	29.00	29.25	57.00	58.00

	BUENOS AIRES.		RIO.	
High	36.37½	36.50	13.30	13.35
Low	36.05	36.15	13.30	13.35

	SHANGHAI.		URUGUAY.	
High	77.75	78.25	80.50	80.75
Low	77.62½	78.00	79.50	79.75

CANADA.

*Montreal Funds in New York.
High 93c. Low 31c.
†New York Funds in Montreal.
High 93c. Low 31c.
*Discount per $1,000. †Premium per $1,000.

STOCK EXCHANGE SALES.

New York Stock Exchange sales for week ended September 2, 1922:

	1922.	1921.	1920.
Monday	835,072	394,265	308,746
Tuesday	755,397	594,980	532,451
Wednesday	939,592	515,195	628,058
Thursday	872,270	358,145	711,897
Friday	1,138,064	515,395	660,709
Saturday	331,153	Ex. Closed.	
Totals	4,571,548	2,378,080	2,841,856
Year to date—	176,558,451	113,515,783	151,879,781½

Detailed sales of stocks for weeks ended August 26 and August 19:

	Sept. 2.	Aug. 26.
Industrials	3,463,248	3,698,926
Railroads	1,108,300	1,254,000

BONDS (PAR ISSUED).

	1922.	1921.	1920.
Monday	$11,105,000	$7,812,000	$7,535,000
Tuesday	11,963,000	11,324,000	10,087,000
Wednesday	12,417,000	9,443,000	10,037,000
Thursday	10,957,000	10,771,000	10,372,000
Friday	10,907,000	8,889,000	9,808,000
Saturday	4,372,000	Ex. Closed.	Ex. Closed.
Totals	$62,021,000	$48,240,000	$46,530,000
Year to date—	$2,949,755	$2,064,627,000	$2,375,038,000

Detailed sales of bonds for weeks ended Sept. 3 and August 26:

	Sept. 3	Aug. 26.
Corporation	$35,852,000	$45,104,000
Liberty	12,905,000	19,889,000
Foreign	12,292,000	9,769,000
City	72,000	67,000

WEEK'S COTTON PRICES.

(Week ended with Saturday, Sept. 2.)

	High.	Low.	Last.	Net Ch'ge.
October	22.86	21.70	21.94	+.01
December	23.05	21.80	22.20	+.16
January	23.00	21.80	22.09	+.19
March	22.95	21.80	22.15	+.19
May	22.95	21.83	22.05	+.14
Spot, N. Y.	22.85	22.25	22.25	...
Spot, N. O.	22.00	21.75	21.75	...
Spot, L'pool.	13.70d.	13.48d.	13.70d.	+.10d.

NEW ENGLAND MFG. STOCKS.

Special Dispatch to THE NEW YORK HERALD.

BOSTON, Sept. 3.—These sales of securities at auction took place here last week:

	Bid.	Ask.
Arlington Mills	102	105
Bates	265	..
Brookside Mills	180	190
Columbus Mfg.	175	..
Flint Mills	210	..
Great Falls Mfg.	83	..
Hamilton Mfg.	83	..
Hamilton Woolen	82¼	86
King Philip Mills	150	..
Lancaster Mills	125	..
Lanett Cotton Mills	190	200
Lawrence Mfg.	122½	..
Lyman Mills	177½	..
Mass. Cotton Mills	157	160
Merrimack Mfg	90	94
Nashua Mfg.	80	..
Naumkeag	235	245
Noquitt	89	94
Sagamore Mfg.	330	340
Salmon Falls Mfg.	97	102
Sharp Mfg.	105	111
Union Cotton Mfg.	205	..
Wamsutta Mills	130	..
West Point Mfg.	120	125
York Mfg.	200	210
American Mfg.	101	..
Bigelow Hartford Carpet	122	126
Chapman Valve pf	100	..
Draper Corp.	165	168
Heywood Wakefield	122½	..
Plymouth Cordage	182½	..
Saco Lowell Shops	145	150

WEEK'S PRODUCE PRICES.

Week ended with Saturday, September 2.

	High.	Low.	Last.	Net Change.
Wheat.				
September	103⅞	99	99	—1⅞
December	104⅞	100⅝	101¼	—2¼
May	109½	106⅝	106⅝	—1½
Rye.				
September	69¼	66¾	67	—1⅞
December	72	68⅞	68⅞	—1¼
Corn.				
September	61⅛	58⅝	60	— ⅝
December	56	53½	55⅝	+ ⅝
May	59⅞	56⅞	59	+ ¼
Oats.				
September	32½	31⅝	32⅝	+ ⅛
December	34⅞	33⅝	34⅛	+ ⅛
May	37⅛	36⅞	37⅛	+ ¼
Lard.				
September	10.37	10.10	10.10	—.30
October	10.47	10.20	10.22	—.27
January	9.22	8.92	9.20	...

PUBLIC UTILITY BONDS.

	Bid.	Asked.
Adirondack P & L 6s, '50	100½	[illegible]
Alabama Power 1st 5s, '46	93	[illegible]
Appalachian Power 1st 5s, '41	89½	[illegible]
Baton Rouge Elec 1st 5s, '39	88	[illegible]
Buffalo Gen Elec 1st 5s, '39	99½	[illegible]
Burlington G & L 1st 5s, '55	80	82
Columbus Power 5s, '36	94	96
Conn. Power 1st 5s, '63	96	97½
Con Cities Lt,Pow&Trac 1st 5s,'62	69	70½
East Tex Elec 5s, '42	91	94
El Paso Elec 5s, '32	92	94¾
Economy L & P 1st 5s, '56	92½	95½
Federal L & T 1st 5s, '42	82	[illegible]
Gal Houston 5s, '54	84	[illegible]
Gt West Power 1st 5s, '46	94	[illegible]
Idaho Power 1st 5s, '47	92½	[illegible]
Indianapolis Gas 1st 5s, '52	88½	[illegible]
Kansas City P & L 8s, '40	106	107
Knoxville Tr 1st 5s, '38	82	84½
Key West Elec 5s, '56	77	79½
Miss River Power 1st 5s, '51	100	[illegible]
Mil Elec Ry & Lt 1st 5s, '23	95	97
Montreal Tran 1st 5s, '41	89½	91
Niag Lock & Ont Ref 6s, '58	99½	101
North Texas Elec 5s, '33	90	93
Ontario Power 1st 5s, '43	97	98
Pac Coast Pow 5s, '40	92½	95
Puget Sound Elec Ry 5s, '32	86	90
Seattle Elec Ry 1st 5s, '30	98	99½
Salmon River Power 1st 5s, '52	95	96
Schenectady Ry 1st 5s, '46	73	75
Standard Gas & Elec 6s, '26	96	—
Tampa Elec 6s, '33	92	95